

Jerry Macdonald

From: Joseph Farrell [jfarrell@edsincorporated.com]
Sent: Tuesday, January 18, 2005 5:07 PM
To: jmacdonald@caringpeoplealliance.org; 'JoAnn Weinberger'; alexis@cwep.org; Waverly Coleman; 'Resources for Change'; 'Lina Hartocollis'
Cc: wrs@edsincorporated.com; kevin@edsincorporated.com; reibel@edsincorporated.com
Subject: West Philadelphia Neighborhood Center Contract Negotiations

Dear Partners:

Negotiations for the opening of the West Philadelphia Neighborhood Center began on January 14 with Linda Blanchette and Lisa Watson of PWDC and Bob Schnieders and Kevin Schnieders of EDSI. The discussion went well with just a few items that will require all partners to take another look at their budgets. More on that later in this email.

We will be working with the West CAO District and Linda hopes that we can enroll clients every other week.

PWDC is structuring contracts to consist of a Letter of Agreement (LOA) to get funds to the center for start up activities. Five (5) percent of the final budget will be contained in the LOA. These funds can be used for build out of space, upgrading equipment, décor, operations team salaries, interviewing for new positions, etc. The LOA will run from January 1, 2005 to June 31, 2005 and will be cost-reimbursement. We would like to have the LOA finalized by the end of this month. Funds not expended in the LOA will be transferred to the main contract.

The other contract will run from January 1, 2005 to June 30, 2006 and will contain the remainder of the funding. The first six months of this contract will be cost reimbursement and the final year of the contract will be a hybrid of cost reimbursement and performance based. Actual performance measures will be developed as the entire contract progresses.

Staff and facilities should be ready by March 15 with an opening date scheduled for April 15, 2005. This will give us one month for the partners to meet to iron out customer flow, hand-offs, policies and procedures, etc. It will also allow us to begin the training to be offered to case managers through the University of Pennsylvania and Resources for Change.

We were informed that our budget is too high as it currently stands and will require an overall 10 percent reduction. This reduction will bring us in line with what PWDC wants our contract to be and will allow us to add some additional staff for assessment purposes. Linda indicated during our negotiations that our assessment staffing seems light and that the key to the success of the Neighborhood Centers is thorough assessment. EDSI is working on reducing its budget according to costs called into question by Linda and Lisa – vans, certain staffing requests, etc.

Please review your budget one more time, determine realistically what you require with a March 15 start up and modify your budget accordingly. If we can reserve our real expenses for the latter part of the contract, we can assure success for our customers and every partner.

We have indicated to PWDC that we will have a revised budget to PWDC by the end of the day on Friday, January 21.

We would like to have your revised budget by **Thursday, January 20**. Please email your revised budget to Bob Schnieders at wrs@edsincorporated.com or call him at 313-271-2660.

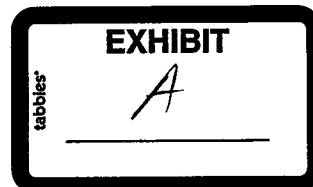
Also, please do not hesitate to contact me if you have any questions. I can be reached at this email address or at 215-356-7723.

Thank you once again for your responsiveness to our budget requests. The cooperation demonstrated thus far can only assure us of a partnership that will benefit our customers.

Please contact me if you have any questions or contact Bob directly.

Sincerely,

4/23/2007



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